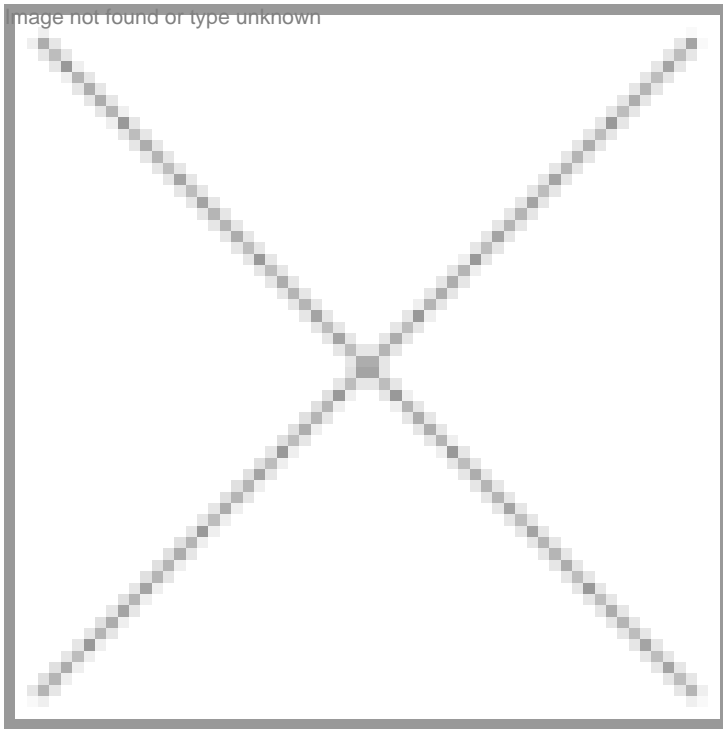


Retention strategies for changing times

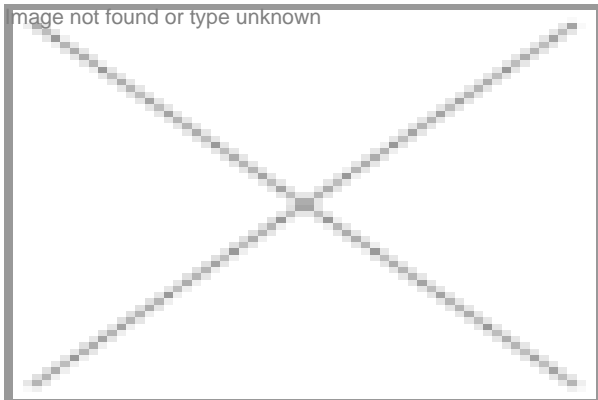
05 September 2011 | News

image not found or type unknown



Rapid mushrooming of biotech companies in India, fierce competition and emergence of lucrative opportunities have made HR departments across the sector chalk out innovative retention and performance evaluation strategies along with interesting training activities

image not found or type unknown



Biotechnology is a knowledge-driven industry, where, over a period of time, technologies become obsolete and industry trends keep changing. HR teams in the biotech space, have come to realize the need to initiate training programs in order to upgrade the skill sets of their workers and methodologies to identify critical and star performers, on a continuous

The attrition rate in the life sciences industry is from 20 to 30 percent. HR teams are devising strategies to retain skilled employees and maintain single-digit attrition rates by chalking out a sound performance evaluation structure, which is a barometer to an employee's productivity and

Training programs

Clearly, there are two categories of training programs conducted by the companies. Presently, there is an increased emphasis on developing not just technical expertise but also on improving behavioral approaches and soft skills of an employee towards his work. While induction and basic management training programs are usually imparted to freshers and new joiners, training courses pertaining to honing leadership skills, cGMP training, improvement of communication skills,

employment engagement skills and stress management are some of the other focus points for the training programs.

Freshers, in particular, are evaluated on a time-to-time basis during their training period. Says Mr G Jayaraman, head “ HR, administration and CSR, Transasia Bio-Medicals, “The trainees perform under the direct guidance of the zonal heads for the initial three months, who guide them on a day-to-day basis. Evaluation is done on a quarterly basis during the training period, to understand their performance and provide objective feedback.” On completion of the training period of one year, their performance in the company is assessed. Those with satisfactory performance are confirmed with suitable revision in their emoluments. Those with exceptional performance are promoted to the next level with due consideration on the emoluments.

In the technical avenue, Reliance Life Sciences (RLS), for instance, provides domain-specific training to employees on good manufacturing practices, good clinical practices and SAP application training. Says Mr KV Subramaniam, president, RLS, “In RLS, a knowledge-based R&D organization, employees are encouraged to pursue higher studies, for which it has a tie-up with Mumbai University.” Bangalore-based Anthem Biosciences, apart from induction and cGMP-related training programs, also conducts on the job training and EHS programs for employees.

Dr Ashwin Kashikar, deputy general manager, biotech research, Ankur Seeds, says, “Apart from induction, in which we introduce a fresher to the company and its policy, we have conducted some training programs in research facility for new technology and also for transfer of technology programs from experienced employees to the freshers.”

For soft skill development, companies formulate a wide array of programs depending on the need of the employees. Common programs include personality development, presentation skills, leadership development skills and team work in addition to making freshers understand the vision of the company. Novozymes has also devised programs related to lifestyle and stress management. RLS has competency-based training programs on subjects like “management of change”, “self discipline”, “management of innovation” and soft skill training on topics like communication, etiquette and impression management.

Conducting outbound workshops and training programs is gradually picking up prominence. This in turn has also proved to be a potent retention formula for employees. Agri-biotech companies like Ankur Seeds and Mahyco have introduced such initiatives. Adds Dr Kashikar, “We send our employees to conferences and offshore training programs to keep them updated. A highly interactive session is also conducted in which we identify the need to introduce learning programs.” Mahyco plans to introduce such programs for freshers too, starting this year, which also includes outbound training programs.

Retention

With the Indian biotechnology industry hitting the \$4 billion mark (BioSpectrum-ABLE survey estimates for 2010-11), there has been an increasing demand for postgraduates and doctorates, specializing in fields like biotechnology and chemistry. The sector has seen rapid mushrooming of companies, each offering lucrative career opportunities. The sales and marketing departments have witnessed the maximum retention.

Says Mr P L Gaekwad, vice president, HR, Mahyco, “Retention of employees with less than three years of service with Mahyco is a challenge, in spite of attrition being in single digit. Constant innovation in formulating CTC package for employees, like, introduction of annual retention bonus, loyalty bonus and joining bonus, is done in deserving cases. Retention of skilled employee thus becomes a daunting task for many companies.

Retention strategies for most of the companies include engaging employees in team or departmental activities, recognitions and rewards, monetary incentives on achieving targets and transparency and freedom to have one-on-one discussions with the management. Employee engagement activities is perhaps a crucial factor in retention of staff. Mr G S Krishnan, regional president, Novozymes South Asia, says, “This includes encouraging employee participation from all levels in adding value to the organization and encouraging feedback and implementing the suggestions.”

Anthem Biosciences introduced a new incentive scheme during the review process during the year 2011, wherein the incentive is paid in advance to the employees for the first six months and the other portion is paid later.

Vaccine major, Panacea Biotec, devised an exciting online reporting system. Says Mr Kulvinder Sarao, VP, HR, Panacea Biotec, “We have sales force automation (SFA) which is an online reporting system. This apart, we offer self-management leave system, salary on day one, open door approach, growth-linked incentive scheme and competitive salary.”

Many companies within the sector have also introduced flexible timings to their workers, provided that they meet their KRAs and targets. Ms Vipra Datta, senior manager HR, Max Neeman International, says “We have introduced “flexi

timingsâ€™, inter and intra-departmental movements and growth, compensation benchmarking, effective training and development programs.â€™

Exposure to cross functional activities, sending employees for international summits and conferences and sponsorship for management studies and higher studies are some of the other retention activities employed.

Performance evaluation

While for a long time, the usual performance evaluation system was the common route adopted to gauge the performance and productivity of an employee, HR departments are gradually adopting methodologies like the balance score card and the 360 degree feedback.

At RLS, performance assessments are based on a balanced score card system. Says Mr Subramaniam, â€œThe balanced score card involves a set of performance objectives on financials, customers, internal business processes, and learning and growth parameters. Targets to be achieved for the year, which encompass all the above four aspects, are set out through a goal-setting exercise conducted at the beginning of the financial year. The entire process, which includes the goal setting, quarterly reviews and performance assessment, is automated and accessible through a portal called 'employee self service'. This process ensures transparency across all levels.â€™ Also, the company has simultaneously also introduced the 360 degree feedback with full participation of the workers.

Apart from setting KRAs for the next one year, Panacea Biotech is looking to chalk a five-year KRA for its employees. â€œWe have defined goals and objectives for the next five years and based on this, KRAs and KPIs are defined every year for each and every employee in the executive cadre. The levels of achievement indicated through KRA and KPI relate to establishing the star performers. In addition, other tools like the functional head's assessment, potential assessment and 360 assessment also indicate star performers,â€™ adds Mr Sarao.

Mr Sameer Bhariok, director-HR, Eli Lilly, says, â€œFor each function and level, there are separate competencies that have been defined. Based on performance and behaviors, employees are assigned a formal rating, which can help them qualify for assessment centre. The assessment committee evaluates all such nominated employees, identifies star performers and recommends further development interventions and career opportunities.â€™

In some companies, identification of star performers is a joint initiative between colleagues and team leaders. Says Mr Krishnan, â€œWe have an evaluation system in place wherein, the manager and peers nominate their colleagues as the star performer of the month. Based on the maximum accumulation of such stars, an employee will qualify for the regional president's award, which is a cash incentive.â€™

At the end of the day, it is these group of star performers who are catalysts towards the company's next level of growth. Working towards training and churning out a sizable number of star performers is what differentiates a good organization from a great one.

Nayantara Som (with inputs from Rahul Koul)